

Gambling Control Board Meeting Minutes
February 9, 2006
1230 p.m.
Statehouse, Rm 127, Taxation Committee

Chairman McHale called the meeting to order at 12:38 p.m..

Board members present: Chairman George McHale, Peter Danton and Michael Peters

Staff members present: Exec.Director Robert Welch, Auditor Scott Woods,
Lt. Patrick Fleming and Secretary Kathy Chamberlain.

Legal counsel: Melissa R. O'dea A.A.G.

- **Review of Minutes from the January 5, 2006 meeting.**

****Motion:** Peter Danton moved to accept.

****Second:** Mike Peters

****Vote:** 3-0

- **Executive Director Report – Robert Welch**

1. The slot machines used for training only at Hollywood Slots have been removed from Maine as of January 8th.
2. The Gambling Control Unit now has a digital recorder to record Board meetings, capable of recording up to 35 hours.
3. Work is being continued on Problem Gaming Week to be held in March, in conjunction with the Office of Substance Abuse, Lottery, Harness Racing, State Police Licensing Unit and the Gambling Control Board. A sample brochure was passed out to the Board members to peruse. Discussion ensued about getting brochures out to all agents of lottery, to harness and OTB's, etc. 25,000 brochures will be printed, Gambling Control Board will contribute \$1,000 towards the project.
4. Policies #1, 2 & 3 developed by Mr. Welch as requested were handed out. The policies deal respectively with staff unable to play slots, the Continuity of Operations of the Gambling Control Unit in the event the Staff cannot access the office in Augusta and finally, the Retention of Records submitted by applicants and businesses to the Unit; with instructions as to the length of time, method of destroying after time ends etc.
5. March Administrative Report was presented to the Board.
6. Renewal Application for Key Executives and Licensed Employees was presented. Original application was 30 pages, with the newly formatted renewal application containing only 8.
No vote needed for approval.

****Motion:** Peter Danton motioned to accept the above policies as written.

****Second:** Mike Peters

****Vote:** 3-0

- **Financial Report**

Scott Woods provided the Board with financial information for the past month's receipts from Hollywood Slots. The information is also posted on the Gambling Control Board's website. Right now, the Racino is averaging a million a day gross receipts.

- **Update on State Police Activity – Lt. Patrick Fleming**

Since the last Board meeting on January 5th, State Police personnel have processed 14 applications. The Racino is monitored each day through State Police Inspectors, Detective and Sergeant. Chairman McHale inquired of Mr. Welch if gambling does expand in Maine, has the staff needs and fiscal note been looked at, that would be necessary to oversee such. Mr. Welch advised that two more detectives, two more inspectors, computers etc would be needed, which would be an approximate cost of \$300,000.

- **Public Comment**

*Representative Linda Valentino of Saco, a member of the Legal and Veterans Legislative Committee addressed the Board. She advised she had recommended they receive the \$55 per diem, retroactive to 8/04 when they became an official Board, and that it had passed/reported out unanimously.

*Jon Johnson, general manager of Hollywood Slots (HS) addressed the Board about some changes HS wished to make to their Internal Controls given to the Board in October 2005. These changes were in regard to: disposal of redeemed tickets; keys to machines and key readers; meter readings when not necessary to record; change the term Supervisor to Manager; and change wording regarding technical support being able to assist via telephone instead of having to physically be here. Melissa O'Dea reviewed these during the meeting, to make sure they compared to our Internal Controls Rules and gave her o.k. with them.

****Motion:** made by Mike Peters to adopt these changes as Mr. Johnson had requested.

****Seconded:** by Peter Danton

****Vote** 3-0 to pass.

Jon Johnson advised that after the first three months of revenues from HS that generated 6.4 million dollars, 3.2 million was paid out in taxes. Harness Racing has been granted 16 extra days for racing, making a total now of 44 days. Improvements are being made to the racetracks before opening day with monies generated from the Racino revenues. Mike Peters advised he would like the economic impact on Bangor area businesses monitored as we go along. He requested also from Mr. Johnson that HS monitor the quality of the horse-racing program.

*Lee Thompson, Maine Council on Problem Gambling addressed the Board, giving them some background on their organization, mission etc. First training held in October 2005 to train counselors to treat problem gamblers – training was a huge success with many participating. They do not take a position on Legalized gambling. She advised that they were requesting funding for a study on problem gambling and the extent of it in Maine.

*Harland Bickerstaff, V.P. of the Maine Council on Problem Gambling also addressed the Board in the way of introducing himself and his organization, as well as his concerns in the problem gambling arena.

*Representative George Hogan of Old Orchard Beach, inquired from the Board about the selling of O.T.B's. He was referred to the Harness Racing Commission.

****Next meeting date set for March 20, 2006 at 1230 in Augusta at the Taxation Committee Room, 1st Floor at the Statehouse****

Motion by Mike Peters to adjourn

Second by Peter Danton

Passed 3-0

Meeting adjourned at 2:25 p.m.